

Amendments to the Specification

On page 131, amend lines 4-23, and p. 132 lines 1-2 as follows:

In an alternative application using the amino acid sequence X-EVNLDAEFK(Y) (SEQ ID NO:1), X is an acetyl group and Y is DNP. This peptide is put in contact with BACE and the test compound in a fashion similar to that described above. After a fixed period of time the enzymatic reaction is stopped by denaturing the enzyme by addition of a known amount of trifluoroacetic acid (TFA) or by heating the sample in a boiling water bath for 5 min. The sample is then loaded onto a C18 or other appropriate reverse phase HPLC column and the substrate peptide is separated from the product peptide fragments by isocratic or gradient elution methods well known to those trained in the art. The substrate and the C-terminal product peptide fragment can be identified by the absorbance at ca. 350 nm imparted by the DNP group. The area under the C-terminal product peak can be quantified as a measure of enzyme activity and the diminution of this activity can be used to define the inhibition potency of test compounds as described above. A compound is considered active in this assay if its  $IC_{50}$  is less than  $50\mu M$ .

After page 141, please insert the attached Sequence Listing into the specification as a separate page.